

## Message Text

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46

ACTION EB-11

INFO OCT-01 EUR-25 EA-11 ISO-00 SSO-00 NSCE-00 USIE-00

INRE-00 AGR-20 CEA-02 CIAE-00 COME-00 DODE-00 FRB-03

H-03 INR-11 INT-08 L-03 LAB-06 NSAE-00 NSC-07 PA-04

RSC-01 AID-20 CIEP-02 SS-20 STR-08 TAR-02 TRSE-00

PRS-01 SP-03 FEAE-00 OMB-01 SWF-02 SAJ-01 SCI-06

AF-10 ARA-16 NEA-14 IO-14 FPC-01 AEC-11 AECE-00 DRC-01

/249 W

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O R 221712Z JUL 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC IMMEDIATE 3968

INFO USMISSION EC BRUSSELS IMMEDIATE

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY THE HAGUE

AMEMBASSY LUXEMBOURG

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY LONDON

USMISSION OECD PARIS

AMEMBASSY TOKYO

AMEMBASSY OSLO

AMEMBASSY OTTAWA

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E.O. 11652: N/A

TAGS: ETRD, ENRG, EEC, GW

SUBJECT: PROPOSED FRG POLICY ON DUTY-FREE IMPORTS OF  
PETROLEUM PRODUCTS

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1. SATURDAY'S DIE WELT CARRIED REPORT OF PENDING FRG INITIATIVE AT MONDAY EC COUNCIL MEETING TO OBTAIN EC APPROVAL FOR DUTY-FREE IMPORTS OF PETROLEUM PRODUCTS PRODUCED UNDER LONG-TERM INDUSTRIAL COOPERATION AGREEMENTS, SUCH AS THE PLANNED GERMAN-IRANIAN REFINERY. DIE WELT'S STORY CAST THE FRG INITIATIVE IN THE CONTEXT OF THE EC-MEDITERRANEAN POLICY, UNDER WHICH SUCH DUTY-FREE IMPORTS WOULD BE PERMITTED. THE FRG IS ASSERTEDLY PREPARED TO BLOCK FURTHER NEGOTIATIONS OF EC-MEDITERRANEAN POLICY, UNLESS IT CAN OBTAIN ADOPTION OF THE SOUGHT CONCESSION.

2. IN RESPONSE TO QUERY BY EMBASSY ECONOMIC COUNSELOR ON THE WELT ARTICLE, MFA OFFICE DIRECTOR FOR EC POLICY QUESTIONS RUYTER CONFIRMED THAT FRG IS SEEKING "A GENERAL ARRANGEMENT" WITHIN THE EC WHICH WOULD PERMIT DUTY-FREE IMPORTS OF PETROLEUM PRODUCTS FROM ANY COUNTRIES WITH WHICH MEMBERS HAVE CONCLUDED INDUSTRIAL COOPERATION AGREEMENTS. UNDER SUCH AN ALL-INCLUSIVE FORMULA, FRG BELIEVES, THAT PROPOSED IMPORT POLICY WOULD BE GATT-COMPATIBLE.

3. RESPONDING TO THE SAME QUERY FROM ECONOMIC COUNSELOR, ECONOMICS MINISTRY OFFICE DIRECTOR FOR TRADE POLICY KUEHN SAID THAT THIS MATTER HAS BEEN UNDER CONSIDERATION FOR SOME TIME, BUT THAT A DECISION WITHIN THE EC IS STILL FAR OFF. HE HOPED THAT A FORMULA COULD BE FOUND WHICH WOULD BE GATT-COMPATIBLE AND WHICH WOULD PERMIT DUTY-FREE TREATMENT OF PETROLEUM PRODUCTS FROM THE GERMAN-IRANIAN REFINERY AND FROM OTHER SIMILAR PROJECTS ON AN MFN BASIS. EMBOFF STATED THAT, WHILE WE WERE UNINSTRUCTED, WE ANTICIPATED THAT WASHINGTON MIGHT FIND THIS FRG-PROPOSED POLICY ON PETROLEUM PRODUCT IMPORTS TO THE EC DISCRIMINATORY AGAINST THE US AND OTHER THIRD COUNTRY INTERESTS. KUEHN REPLIED THAT THE FRG WAS CONFIDENT THAT A FORMULA COULD BE FOUND THAT WOULD BE ACCEPTABLE TO THE US "IN THE OVERALL ENERGY CONTEXT." ON A PERSONAL BASIS, HE ADDED, IT WAS ANTICIPATED THAT CONSULTATIONS ON THIS MATTER WITH THE US "ON A LIMITED OFFICIAL USE

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HIGH LEVEL" WOULD REMOVE ANY OBJECTIONS BY US.  
CASH

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NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM PRODUCTS, CUSTOMS DUTIES, ENERGY  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 22 JUL 1974  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** golinofr  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1974BONN11588  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Film Number:** D740197-0552  
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**Line Count:** 109  
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**Office:** ACTION EB  
**Original Classification:** LIMITED OFFICIAL USE  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:**  
**Previous Classification:** LIMITED OFFICIAL USE  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** golinofr  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 04 APR 2002  
**Review Event:**  
**Review Exemptions:** n/a  
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30 JUN 2005

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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** PROPOSED FRG POLICY ON DUTY-FREE IMPORTS OF PETROLEUM PRODUCTS  
**TAGS:** ETRD, ENRG, GE, EEC  
**To:** STATE  
**Type:** TE  
**Markings:** Declassified/Released US Department of State EO Systematic Review 30 JUN 2005